



MERCHANT & GOULD P.C.  
PO BOX 2903  
MINNEAPOLIS, MN 55402-0903

Paper No. 8  
**COPY MAILED**

JUL 18 2002

OFFICE OF PETITIONS

In re Application of  
Koelle et al.  
Application No. 10/020,524  
Filed: December 14, 2001  
Attorney Docket No. 50040.01USU1

DECISION ACCORDING  
STATUS UNDER  
37 CFR 1.47(a)

This is a decision on the petition under 37 CFR 1.47(a), filed on March 8, 2002, requesting that an inventor be allowed to file the application on behalf of herself and the joint-inventor who allegedly refuses to join in this application.

The petition is **GRANTED**.

There are 2 joint-inventors for the claimed invention in this application: Katharina Veronika Koelle ("Koelle") and William P. Worzel ("Worzel"). The application as filed on December 14, 2001 did not include a properly signed oath/declaration as required by 37 CFR 1.51(b)(2) and as specified in 37 CFR 1.63. On January 14, 2002, the Office of Initial Patent Examination (OIPE) mailed a Notice to File Missing Parts of Nonprovisional Application, giving Applicants an extendable, non-statutory 2-month period within which to submit, *inter alia*,<sup>1</sup> an oath/declaration signed by both inventors. In response, the instant petition was filed, requesting that a "Combined Declaration and Power of Attorney" signed only by Koelle be accepted, such that Koelle may make this application on behalf of herself and Worzel who allegedly refuses to join in this application.

Koelle may file this application on behalf of herself as well as Worzel, if it can be properly shown that a *bona fide* attempt has been made to present to Worzel, for signature, a copy of the entire application, including the specification, claims, drawings, and declaration; and that the latter refuses to join in this application.<sup>2</sup> Such showing includes, but is not limited to, a statement of facts regarding the circumstances of the presentation of the application papers as well as the subsequent refusal.<sup>3</sup> Worzel's last known address must also be included in the petition under 37 CFR 1.47(a).<sup>4</sup>

The instant petition is supported by a "Declaration Under 37 CFR 1.47(a) Regarding Non-Signing Inventor" of John W. Branch, counsel for Assignee ("Branch") ("Branch Declaration"). According to the Branch Declaration, which is essentially a statement of facts:

-Branch's firm contacted Worzel by e-mail or U.S. Postal Service certified mail on 5

<sup>1</sup> Other missing items include the application basic filing fee and extra claims fees. *See infra*.

<sup>2</sup> *See also* MPEP section 409.03(d) (Aug. 2001), REFUSAL TO JOIN.

<sup>3</sup> *See* MPEP section 409.03(d) (Aug. 2001).

<sup>4</sup> *See* 37 CFR 1.47(a), and MPEP sections 409.03(e), 605.03 (Aug. 2001). Included in the petition, paragraph 19.

occasions,<sup>5</sup> 3 of which included transmission/enclosure of a copy of the application papers;<sup>6</sup>

- Worzel has acknowledged receipt of the application papers sent by counsel's firm;<sup>7</sup>
- Worzel refuses to sign the application papers.<sup>8</sup>

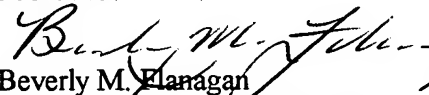
The above statement of facts by Branch demonstrates that a *bona fide* attempt had been made to present to Worzel a copy of the entire application, and that Worzel has refused to join in this application. The petition is thus granted and Koelle is allowed to file this application on behalf of herself and of Worzel. The "Combined Declaration and Power of Attorney" signed only by Koelle is hereby accepted.

The following are enclosed with the instant petition: a \$130 check for the petition fee; a \$1,248 check for the \$130 surcharge for the declaration, the \$740 basic filing fee for this application, the \$126 for 7 claims in excess of 20, and the \$252 for 3 independent claims in excess of 3, totaling \$1,248. In addition, Deposit Account No. 13-2725 has been charged the \$130 surcharge for late filing of the application basic filing fee.<sup>9</sup>

As provided in 37 CFR 1.47(c), the Office will forward notice of the filing of this application to Worzel at his last known address stated in the petition: 214 W. Main Street, Milan, MI 48160. Notice of the filing of this application will also be published in the Official Gazette.

The application file is being returned to OIPE for further processing. Thereafter, it will be forwarded to the appropriate Technology Center for examination in due course.<sup>10</sup>

Telephone inquiries concerning this decision should be directed to Petitions Attorney RC Tang at (703) 308-0763.

  
Beverly M. Flanagan  
Supervisory Petitions Attorney  
Office of Petitions  
Office of the Deputy Commissioner  
for Patent Examination Policy

---

<sup>5</sup> Branch Declaration, paragraphs 5, 7, 12, 14, 15 [12/10/01 (e-mail); 12/10/01; 1/7/02 (e-mail); 1/23/02 (e-mail); 1/23/02].

Attorney Branch confirmed in a 7/3/02 telephone call with the Office that Branch's assistant, Jamie Wiegand, made the stated contacts with Worzel as instructed by, and under the supervision of, Branch.

<sup>6</sup> Branch Declaration, paragraphs 5, 7, 15 [12/10/01 (e-mail); 12/10/01; 1/23/02].

<sup>7</sup> Branch Declaration, paragraphs 10 [Worzel's signing for the 12/10/01 mail on 12/22/01], 13 [Worzel's 1/7/02 e-mail to counsel's firm], 17 [Worzel's 1/29/02 e-mail to counsel's firm].

<sup>8</sup> Branch Declaration, paragraph 17 [Worzel's 1/29/02 e-mail to counsel's firm].

<sup>9</sup> 37 CFR 1.16(e).

<sup>10</sup> Receipt is acknowledged of an Information Disclosure Statement on 3/22/02, and a Preliminary Amendment on 4/29/02.



UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS  
UNITED STATES PATENT AND TRADEMARK OFFICE  
WASHINGTON, D.C. 20231  
www.uspto.gov  
07-01-02

William P. Worzel  
214 W. Main Street  
Milan, MI 48160

**COPY MAILED**

**JUL 18 2002**

**OFFICE OF PETITIONS**

In re Application of  
Koelle et al.  
Application No. 10/020,524  
Filed: December 14, 2001  
For: METHOD AND APPARATUS FOR  
PROTECTION OF ELECTRONIC MEDIA

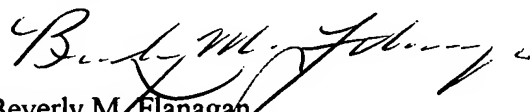
LETTER

Dear Mr. Worzel,

You are named as a joint inventor in the above identified United States patent application, filed under the provisions of 35 U.S.C. 116 (United States Code), and 37 CFR 1.47(a) (Rules of Practice for the United States Patent and Trademark Office [USPTO]). Should a patent be granted on the application, you will be designated therein as a joint inventor.

As a named inventor, you are entitled to inspect any paper in the file wrapper of the application, order copies of all or any part thereof (at a prepaid cost pursuant to 37 CFR 1.19), or make your position of record in the application. Alternatively, you may do any of the aforementioned through an attorney or agent registered to practice before the USPTO and presenting written authorization from you. If you care to join in the application, counsel of record (see below) would presumably assist you. Joining in the application would entail the filing of an appropriate oath or declaration by you pursuant to 37 CFR 1.63.

Requests for information regarding this application should be directed to the File Information Unit at (703) 308-2733. For information on how to order a copy of the application or a specific paper in the application, contact the Certification Division at (703) 308-9726 or 1-(800) 972-6382 (outside the Washington DC area). Telephone inquiries regarding this letter should be directed to Petitions Attorney RC Tang at (703) 308-0763.

  
Beverly M. Flanagan  
Supervisory Petitions Attorney  
Office of Petitions  
Office of the Deputy Commissioner  
for Patent Examination Policy

cc: John W. Branch, Esq.  
Merchant & Gould P.C.  
PO Box 2903  
Minneapolis, MN 55402-0903

**Jamie Wiegand**

**From:** billw@genetics2.com  
**Sent:** Tuesday, January 29, 2002 10:00 AM  
**To:** Jamie Wiegand  
**Cc:** jbeyer@widevine.com  
**Subject:** Re: 50040.1USU1 - Status of Signed Formal Documents from Inventor & Updated Formal Documents  
**Signed By:** (There were errors displaying the signers of this message, please click on the signature icon for more details.)

Mister Wiegand,

Having received your documents, and having reluctantly returned to considering this patent, I read your quaint assignment document. I was particularly charmed by the paragraph that reads:

"AND, for the consideration aforesaid, we do hereby agree that we and our executors and legal representatives will make, execute and deliver any and all other instruments in writing including any and all further application papers, affidavits, assignments and other documents, and will communicate to said Assignee, its successors and representatives all facts known to us relating to said improvements and the history thereof and will testify in all legal proceedings and generally do all things which may be necessary or desirable more effectually to secure to and vest in said Assignee, its successors or assigns the entire right, title and interest in and to the improvements, inventions, applications, Letters Patent, rights, titles, benefits, privilege and advantages hereby sold, assigned and conveyed, or intended so to be."

Now, in the first instance, I will not "make, execute and deliver" a damned thing on behalf of Widevine ever again. My contract with Widevine obligated me to assign work done while I was in Widevine's employee; it most assuredly does *not* obligate me for the fee of one dollar and other similarly valuable considerations (such as Widevine stock) to do any further work once I am no longer an employee. Nor does it obligate me to testify on behalf of the company without proper recompense for my time now that they are most fortunately no longer my employer.

So, I suggest you get in touch with your principal and inform them that while I will assign the patent to Widevine, I will not do anything else that requires me to spend even a minute more of my time without recompense and therefore will not sign an assignment that requires me to do so.

At this point in time, my minimum fee for such obnoxious and unpleasant work is \$200/hr, payable in advance, and is likely to go up as time passes and I become even less concerned with Widevine and its machinations.

Most Sincerely,  
Bill Worzel

January 23, 2002

To: William P. Worzel

Re: 50040.1USU1 - Status of Signed Formal Documents from Inventor & Updated Formal Documents

Bill:

Please discard the prior electronic copies of the formal documents and use the updated copies attached in this email. The earlier documents were intended to be filed concurrent with the filing of the application. The attached copies should now be used, as they reflect the filing date and serial number of the application filed 12/14/2001, and are to be used after an application has been filed.

As stated in the ealier email, we have not received from you the formal documents that we asked you to sign for the above-identified matter. We understand that these documents were received by you through certified mail on December 22, 2001.

Recently, our office received a Notice to File Missing Parts from the U.S. Patent and Trademark Office (USPTO), which included a request for the signed formal document, from you.

At this time, are you willing to sign the formal documents and

Re: 50040.1USU1 - Status of Signed Formal Documents for  
return them to us? Kindly advise us of your intentions.

Page 2 of 2

If you will sign the revised formal documents, please return the signed updated documents to me, no later than February 5, 2002.

I have attached a set of electronic copies of the updated formal documents for your signatures.

<<Dec and POA-MP.pdf>> <<Assignment-MP.pdf>>

Sincerely,

Jamie Wiegand  
Merchant & Gould PC  
1191 Second Avenue, Suite 1500  
Seattle, WA 98101  
(206) 342-6200 main  
(206) 342-6288 direct  
(206) 342-6201 fax  
jwiegand@merchant-gould.com

Note: This email message is confidential, and may be privileged, or otherwise protected by law. If you are not the intended recipient, you should: (1) Reply via e-mail to sender; (2) Destroy this communication entirely, including deletion of all associated text files from all individual and network storage devices; and (3) Refrain from copying or disseminating this communication by any means whatsoever. Thank you.

Attachment converted: Phenotype IV:Dec and POA-MP.pdf (PDF /CARO) (000452FA)  
Attachment converted: Phenotype IV:Assignment-MP.pdf (PDF /CARO) (000452FB)

--

Bill Worzel  
Chief Technical Officer  
Genetics2  
<mailto:billw@genetics2.com>  
Tel: 734-439-3828  
Fax: 734-439-8539



UNITED STATES  
PATENT AND  
TRADEMARK OFFICE

FEBRUARY 14, 2002

PTAS

Under Secretary of Commerce For Intellectual Property and  
Director of the United States Patent and Trademark Office  
Washington, DC 20231  
[www.uspto.gov](http://www.uspto.gov)

MERCHANT & GOULD P.C.  
JOHN W. BRANCH  
P.O. BOX 2903  
MINNEAPOLIS, MN 55402-0903



\*101927437A\*

UNITED STATES PATENT AND TRADEMARK OFFICE  
NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

THE ENCLOSED DOCUMENT HAS BEEN RECORDED BY THE ASSIGNMENT DIVISION OF THE U.S. PATENT AND TRADEMARK OFFICE. A COMPLETE MICROFILM COPY IS AVAILABLE AT THE ASSIGNMENT SEARCH ROOM ON THE REEL AND FRAME NUMBER REFERENCED BELOW.

PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE EMPLOYEE WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, CG-4, 1213 JEFFERSON DAVIS HWY, SUITE 320, WASHINGTON, D.C. 20231.

RECORDATION DATE: 12/14/2001

REEL/FRAME: 012390/0507  
NUMBER OF PAGES: 3

BRIEF: ASSIGNMENT OF ASSIGNOR'S INTEREST (SEE DOCUMENT FOR DETAILS).

ASSIGNOR:

KOELLE, KATHARINA VERONIKA

DOC DATE: 12/08/2001

ASSIGNEE:

WIDEVINE TECHNOLOGIES, INC.  
900 FOURTH AVENUE, SUITE 3400  
SEATTLE, WASHINGTON 98164

SERIAL NUMBER: 10020524

FILING DATE: 12/14/2001

PATENT NUMBER:

ISSUE DATE:

MARCUS KIRK, EXAMINER  
ASSIGNMENT DIVISION  
OFFICE OF PUBLIC RECORDS

2

12-28-2001



3T

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

101927437

To the Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Katharina Veronika Koelle

12-14-01

2. Name and address of receiving party(ies):

Widevine Technologies, Inc.  
900 Fourth Avenue, Suite 3400  
Seattle, Washington 98164

11036 U.S. PTO  
10/020524  
12/14/01

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

- ☒ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☐ Other:

Execution Date: December 8, 2001.

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: December 14, 2001.

A. Patent Application No.(s)

10,020524

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: John W. Branch  
Address: Merchant & Gould P.C.  
P.O. Box 2903  
Minneapolis, MN 55402-0903



6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41): \$40.00

- ☒ Enclosed  
☐ Authorized to be charged to deposit account

8. Please charge any additional fees or credit any overpayments to our Deposit account number: 13-2725

DO NOT USE THIS SPACE

9. Statement and signature:

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

John W. Branch

Reg. No. 41,633

Name of Person Signing

Signature

December 14, 2001

Date

Total number of pages including cover sheet, attachments, and document: 3

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Box Assignments  
Director - U.S. Patent and Trademark Office  
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of information systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

12/28/2001 LMJELLER 00000047 10020524

01 FC:581

40.00 OP

RECEIVED

MAR 1 8 2002

OFFICE OF PETITIONS

## ASSIGNMENT

WHEREAS, we, Katharina Veronika Koelle, residing at 214 W. Ann Street, Ann Arbor, Michigan 48104 and William P. Worzel, residing at 214 W. Main Street, Milan, Michigan 48160, have made certain new and useful inventions and improvements for which we filed an application for Letters Patent of the United States executed herewith, which is entitled METHOD AND APPARATUS FOR PROTECTION OF ELECTRONIC MEDIA.

AND WHEREAS, Widevine Technologies, Inc., a corporation organized and existing under and by virtue of the laws of the State of Washington, and having an office and place of business at 900 Fourth Avenue, Suite 3400, Seattle, Washington 98164 (hereinafter "Assignee") is desirous of acquiring the entire right, title and interest in and to said inventions, improvements and application and in and to the Letters Patent to be obtained therefor;

NOW THEREFORE, to all whom it may concern, be it known that for and in consideration of the sum of One Dollar and other good and valuable considerations, the receipt and sufficiency whereof is hereby acknowledged, we have sold, assigned, and transferred, and by these presents do sell, assign and transfer unto said Assignee, its successors or assigns, the entire right, title and interest for all countries in and to all inventions and improvements disclosed in the aforesaid application, and in and to the application, all divisions, continuations, or renewals thereof, all Letters Patent which may be granted therefrom, and all reissues or extensions of such patents, and in and to any and all applications which have been or shall be filed in any foreign countries for Letters Patent on the inventions and improvements, including an assignment of all rights under the provisions of the International Convention, and all Letters Patent of foreign countries which may be granted therefrom; and we do hereby authorize and request the Commissioner of Patents and Trademarks to issue any and all United States Letters Patent for the aforesaid inventions and improvements to the Assignee as the assignee of the entire right, title and interest in and to the same, for the use of the Assignee, its successors and assigns.

AND, for the consideration aforesaid, we do hereby agree that we and our executors and legal representatives will make, execute and deliver any and all other instruments in writing including any and all further application papers, affidavits, assignments and other documents, and will communicate to said Assignee, its successors and representatives all facts known to us relating to said improvements and the history thereof and will testify in all legal proceedings and generally do all things which may be necessary or desirable more effectually to secure to and vest in said Assignee, its successors or assigns the



entire right, title and interest in and to the improvements, inventions, applications, Letters Patent, rights, titles, benefits, privileges and advantages hereby sold, assigned and conveyed, or intended so to be.

AND, furthermore we covenant and agree with said Assignee, its successors and assigns, that no assignment, grant, mortgage, license or other agreement affecting the rights and property herein conveyed has been made to others by us and that full right to convey the same as herein expressed is possessed by us.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 08 day of December, 2001.

  
Katharina Veronika Koelle

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me, a Notary Public, this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

IN TESTIMONY WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
William P. Worzel

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me, a Notary Public, this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

RECORDATION FORM COVER SHEET  
PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE

Patent and Trademark Office

To the Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

## 1. Name of conveying party(ies):

1. Katharina Veronika Koelle
2. William P. Worzel

## 2. Name and address of receiving party(ies):

Widvine Technologies, Inc.  
900 Fourth Avenue, Suite 3400  
Seattle, Washington 98164

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ NoAdditional name(s) & address(es) attached? ☐ Yes ☒ No

## 3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☒ Other: Notice Under 35 USC 261 Regarding Assignment  
with attached Employment Agreement

Execution Date: 1. February 21, 2002; 2. unsigned

## 4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

10/020,524

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

## 5. Name and address of party to whom correspondence concerning document should be mailed:

Name: John W. Branch  
Address: Merchant & Gould P.C.  
P.O. Box 2903  
Minneapolis, MN 55402-0903



6. Total number of applications and patents involved: 1
7. Total fee (37 CFR 3.41): \$40.00  
☒ Enclosed  
☐ Authorized to be charged to deposit account
8. Please charge any additional fees or credit any overpayments to our Deposit account number: 13-2725

DO NOT USE THIS SPACE

## 9. Statement and signature:

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

John W. Branch, Reg. No. 41,633

Name of Person Signing

  
Signature

February 21, 2002

Date

Total number of pages including cover sheet, attachments, and document: 12

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Box Assignments  
Director - U.S. Patent and Trademark Office  
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of information systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

SN 10/020,524

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant:	Katharina Koelle, et al.	Examiner:	Not Yet Assigned
Serial No.:	10/020,524	Group Art Unit:	Not Yet Assigned
Filed:	December 14, 2001	Docket No.:	50040.01USU1
Title:	METHOD AND APPARATUS FOR PROTECTION OF ELECTRONIC MEDIA		

---

CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited in the United States Postal Service, as first class mail, with sufficient postage, in an envelope addressed to: USPTO, Assignment Division, 1213 Jefferson Davis Hwy, Arlington, Virginia 22202 on February 21, 2002.

By:   
Name: John W. Branch

NOTICE UNDER 35 U.S.C. 261 REGARDING ASSIGNMENT

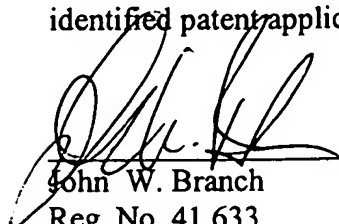
United States Patent and Trademark Office  
Attention: Assignment Division  
1213 Jefferson Davis Hwy  
Arlington, Virginia 22202

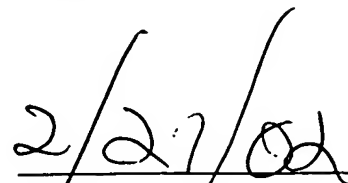
Dear Sir:

You are hereby on notice that Widevine Technologies, Inc., a Washington U.S.A. corporation (hereafter "WIDEVINE"), claims all rights to the invention(s) described in the patent application entitled **METHOD AND APPARATUS FOR PROTECTION OF ELECTRONIC MEDIA** and assigned attorney docket number 50040.01USU1, serial number 10/020,524, filed December 14, 2001.

Pursuant to an employment agreement recorded herewith, William P. Worzel is under an obligation to assign all his rights, title, and interest in the invention(s) described in the above-identified application to WIDEVINE. William P. Worzel has no rights in the invention(s) to assign to anyone else. Furthermore, WIDEVINE does not waive the right to compel William P. Worzel to formally perform his contractual obligation and claims complete and unfettered

ownership of any patent or patents issuing from the invention(s) described in the above-identified patent application.

  
\_\_\_\_\_  
John W. Branch  
Reg. No. 41,633

  
\_\_\_\_\_  
Date

## EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into as of this 30th day of March, 2000, by and between Internet Direct Media, Inc., a Washington corporation (the "Company"), and William Worzel (the "Executive").

### R E C I T A L S

The Company desires to retain the services of the Executive as one of its Directors of Advanced Technology on the terms and subject to the conditions set forth in this Agreement, and the Executive desires to make his services available to the Company on the terms and subject to the conditions set forth in this Agreement.

### A G R E E M E N T

#### 1. Employment.

1.1 **General.** The Company hereby agrees to employ the Executive as a Director of Advanced Technology, which is not a position on the Board of Directors, on the terms and subject to the conditions contained in this Agreement, and the Executive hereby agrees to accept such employment on the terms and subject to the conditions contained in this Agreement.

1.2 **Duties of Executive.** During the Employment Period (as defined below), the Executive shall diligently perform all duties and responsibilities as may be assigned to him by the President or the CEO. The Executive shall devote his full business time and attention to the business and affairs of the Company as necessary to perform his duties and responsibilities hereunder, render such services to the best of his ability, and use his best efforts to promote the interests of the Company. Further, during the Employment Period, Executive will not, without Company's prior written consent, directly or indirectly engage in any employment, consulting, or other activity that would interfere or conflict with the performance of Executive's duties or obligations to Company or which would directly or indirectly compete with Company.

2. **Commencement.** Employment shall commence March 1, 2000 ("Commencement Date").

3. **Term.** The Employment Period of this Agreement shall be for a period of three (3) years (the "Employment Period") from the Commencement Date, unless sooner terminated pursuant to Paragraph 5.

#### 4. Compensation.

4.1 **Salary.** During the Employment Period, the Executive shall receive an annual salary of Eleven Thousand Dollars (\$11,000.00) per month ("Base Compensation") payable in installments consistent with the Company's normal payroll, subject to all withholding as is legally required or directed by Executive.

4.2 **Quarterly Cash Bonus.** Executive shall be eligible for a bonus, to be paid based upon achievement of goals and milestones, the terms and achievement of which shall be determined at the discretion of the President or the CEO.



**4.3 Stock Options.** In connection with the commencement of Executive's employment, the Company shall grant Executive an option to purchase 150,000 shares of Company's Common Stock at a cost of ten cents (\$0.10) per share, 25,000 of which vest immediately upon start of employment and 125,000 of which vest over three (3) years based under the Company's 1999 Incentive Stock Option Plan and Nonstatutory Stock Option Plan dated July 1, 1999 (the "Plan"). The option shall be structured to qualify as an incentive stock option under section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

**4.4 Vacation.** Executive shall be entitled to twenty one (21) days paid vacation plus government holidays during each year of employment. Such vacation shall be taken at a time mutually convenient to Company and Executive. Up to seven (7) days of unused vacation time may be accumulated and carried over from year to year during the Term of this Agreement. In the event this Agreement is terminated by either Company or Executive, except for "Cause," Executive shall be paid for any unused vacation time from the current year (on a pro rata basis) plus any unused approved carry-over vacation time from prior years.

**4.5 Benefit Plans.** During the Employment Period, the Executive shall be entitled to participate in all perquisites and benefit plans adopted for the general benefit of the Company's executives, such as stock option plans, 401(k) plans, pension plans, profit sharing plans, medical plans, group or other insurance plans and benefits, subject to the eligibility provisions and generally applicable terms of such plans in effect from time to time.

**5. Termination of Employment and Severance Benefits.**

**5.1 Termination of Employment.** Executive's employment may be terminated upon the occurrence of any of the following events, and subject to the following conditions:

**a. Termination for Cause.** The Company may terminate Executive for cause, subject to paragraph 5.3, which shall be effective immediately after the Company provides to the Executive written notice of such termination;

**b. Termination Without Cause.** The Company may terminate Executive's employment without cause, which determination may be made by the Company at any time at the Company's sole discretion, for any or no reason. Termination without cause shall be effective sixty (60) days after the Company provides to the Executive written notice of such termination. The Company may elect to provide pay in lieu of such notice;

**c. Voluntary Termination.** Executive may terminate his employment with the Company. The effective date shall be at least ninety (90) days after written notice to the Company from Executive; or

**d. Death or Disability.** Immediately upon Executive's death or disability (as defined in paragraph 5.4 below).

**5.2 Voluntary Termination or Termination Without Cause.** If Executive's employment terminates by Voluntary Termination with proper notice or by Termination Without Cause, then Executive shall receive payment upon termination for accrued but unused vacation days.

**5.3 Termination for Cause.** For purposes of this Agreement "Cause" means dishonesty, gross neglect of duties, conflict of interest, professional negligence, fraud or misrepresentation, refusal or repeated failure to carry out reasonable directives of the President or C.E.O., conviction of or pleading guilty or no contest to a felony or crime involving moral turpitude, any material

breach of this Agreement, or any other act or failure to act that, in the reasonable good faith business judgment of the Company, substantially impairs Company's business or reputation.

**5.4 Definition of Disability.** "Disability" shall mean that Executive has been unable to perform his duties hereunder as a result of his incapacity due to physical or mental illness, and such inability continues for at least 120 consecutive calendar days or 150 nonconsecutive days during any consecutive 18 month period after its commencement, as determined by a physician selected by Company.

**6. Duty of Loyalty.** As an employee of the Company, Executive will devote his best efforts to furthering the best interests of the Company. During his employment, Executive will not engage in any activity, investment, interest or association that (a) is hostile or adverse to or competitive with the Company, (b) occupies Executive's attention so as to interfere with the proper and efficient performance of his duties at the Company, or (c) interferes with the independent exercise of Executive's my judgment in the Company's best interests.

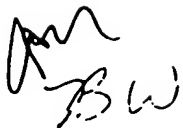
**7. Non-Disclosure.**

**7.1** At all times during his employment and thereafter Executive will not disclose to anyone outside the Company or use for any purpose other than his work for the Company (a) any confidential or proprietary technical, financial, marketing, distribution or other business information or trade secrets of the Company, including without limitation, concepts, techniques, processes, methods, systems, designs, cost data, computer programs, formulas, mathematical algorithm, development or experimental work, work in process, customer and suppliers. Executive will consult with the President or Vice President of the Company with respect to any questions as to what comprises such confidential or proprietary information or trade secrets.

**7.2** Executive recognizes that the Company has received and will receive confidential or proprietary information from third parties, imposing upon it a duty to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of Executive's employment and thereafter Executive owes the Company and such third parties a duty not to disclose such confidential or proprietary information to anyone except as necessary in carrying out Executive's work for the Company and consistent with the Company's agreement with such third party. Executive will not use such information for any person's or entity's benefit other than as specified in the Company's agreements. This Paragraph 7.2 shall not apply to any confidential or proprietary information owned by or received by Company from Executive or Evolution Enterprises, Inc.

**7.3** During Executive's employment at the Company, Executive will not use improperly or disclose any confidential or proprietary information or trade secrets of Executive's former or current employers, principals, partners, co-venturers, clients, customers, or suppliers of the vendors or customers of such persons or entities. Neither will Executive bring onto the premises of the Company any unpublished document or any property belonging to any such persons or entities or their vendors or customers unless such persons or entities have consented in writing. Executive will not violate any non-disclosure or proprietary rights agreements Executive's might have signed in connection with any such person or entity.

**8. Ownership of Proprietary Assets.**



8.1 Executive will make prompt and full disclosure to the Company, will hold in trust for the sole benefit of the Company, and will assign exclusively to the Company all Executive's right, title, and interest in and to any and all inventions, discoveries, designs, developments, improvements, copyrightable material, and trade secrets, including notes, outlines and the like (collectively, "Inventions") that Executive, solely or jointly, may develop or reduce to practice during the period of his employment. Executive hereby waives and quitclaims to the Company any and all claims that he now or hereafter may have for infringement of any patent resulting from any patent applications for any Inventions so assigned to the Company.

8.2 Executive shall have no duty to assign any Invention:

- a. Which was developed entirely on Executive's own time; and
- b. For which no equipment, supplies, facility or trade secret information of the Company was used in its development (provided, that Executive's private use of the Internet access/firewall provided by Company shall not be considered the use of Company equipment or facilities for purposes of this subparagraph 8.2.b.); and
- c. Which does not relate (i) directly to the business of the Company or (ii) to the actual or demonstrably anticipated research or development of the Company; and
- d. Which does not result from any work performed by Executive for the Company.

8.3 Executive shall have no duty to assign any Inventions which constitute enhancements, extensions or improvements to the fundamental genetic programming system which the Company licenses from Evolution Enterprises, Inc. All such Inventions shall be the sole property of Evolution Enterprises, Inc.

8.4 Executive shall have no duty to assign any Inventions which apply or implement the genetic programming system which the Company licenses from Evolution Enterprises, Inc. in any manner which is entirely unrelated to the Internet. All such Inventions shall be the sole property of Evolution Enterprises, Inc.

8.5 Any Inventions arising out of the application by the Company of the genetic programming system which the Company licenses from Evolution Enterprises, Inc. to the Internet may result in Inventions which do not have direct application to the field of the Internet. The proprietary rights in any such Invention shall be assigned by the Company and Executive to a joint venture owned equally by the Company and Evolution Enterprises, Inc. with the object of licensing such Inventions to earn royalties for the participants in the joint venture.

8.6 Executive expressly acknowledges that all Inventions (other than Inventions excluded in Section 8.2, 8.3, 8.4 and 8.5) are to be considered a "work for hire" within the meaning of the United States Copyright Act and the Company is to be the "author" within the meaning of the Act. All copyrights in such Inventions, as well as all copies of such Inventions in any medium, shall be owned exclusively by the Company on their creation, and Executive expressly disclaims any interest in them.

8.7 In the event (and to the extent) that any Invention (other than an Invention excluded in Section 8.2, 8.3, 8.4 or 8.5) or any part of it is found as a matter of law not to be a



"work for hire" within the meaning of the Act, Executive hereby assigns to the Company the sole and exclusive right, title, and interest in the copyrights to, and all copies of, such Invention, without further consideration, and agree to assist the Company to register, and from time to time to enforce, the copyrights. To that end, Executive agrees to execute and deliver all documents requested by the Company in connection therewith, and irrevocably designate and appoint the Company as Executive's agent and attorney-in-fact to act in Executive's behalf and stead to execute, register, and file any such applications, and to do other lawfully permitted acts to further the registration of copyrights with the same legal force and effect as if executed by Executive.

8.8 Executive will execute any proper oath or verify any proper document in connection with carrying out the terms of this Section 8. If, because of Executive's mental or physical incapacity or for any other reason whatsoever, the Company is unable to secure Executive's signature to apply for or to pursue any application for any United States or foreign patent or copyright covering Inventions assigned to it as stated above, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for him and in his behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of United States and foreign patents and copyrights thereon with the same legal force and effect as if executed by Executive. Executive will testify at the Company's request and expense in any interference, litigation or other legal proceeding that may arise during or after my employment.

9. **Return of Materials.** At the time Executive leaves the employ of the Company, he will return to it all papers, drawings, notes, memoranda, specifications, designs, devices, documents and any other material containing or disclosing any confidential or proprietary technical or business information belonging to Company or to third parties (other than Evolution Enterprises, Inc.). Executive will also return any keys, pass cards, identification cards or other property belonging to the Company.

10. **Non-Competition.** For a period of one (1) year after termination of Executive's employment, Executive will not accept employment or engage in activities directly competitive with the business or with the actual or demonstrably anticipated research or development of the Company as of Executive's termination date.

11. **Non-Interference with Other Employees.** While employed at the Company and for a period of one (1) year after termination of Executive's employment, Executive will not induce or attempt to influence directly any employee of the Company to terminate his or her employment with the Company.

12. **Non-Solicitation of Customers.** While employed at the Company and for a period of one (1) year after termination of Executive's employment, Executive will not directly solicit business from customers or demonstrably anticipated customers of the Company if such business is directly competitive with the actual or demonstrably anticipated research or development of the Company.

13. **Section Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

14. **Notices.** Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when delivered by hand or three (3) days after sent by registered or certified United States mail, return receipt requested, postage prepaid, or the next business day following dispatch by a reputable overnight courier service, addressed as follows,

(i) If to the Executive:

William Worzel  
214 West Main St.  
Milan, MI 48160

(ii) If to the Company

John Beyer, CEO  
Internet Direct Video, Inc.  
14631 N.E. Third Ave., Suite 7  
Bellevue, WA 98007

And to

Davis Wright Tremaine LLP  
1501 Fourth Avenue  
Seattle, WA 98101  
Attn: A. Peter Parsons

or to such other addresses as either party hereto may from time to time give notice of to the other party hereto in the aforesaid manner.

15. **Assignment.** Executive agrees that his obligations under this Agreement are in the nature requiring his personal service, and that he will not assign, sell, transfer, or delegate any rights or obligations under this Agreement. Any such purported assignment, transfer, or delegation shall be null and void. The Company shall not assign its rights and obligations under this Agreement except to any or all of its qualifying subsidiary or affiliated companies, or the majority owner of Company or any of its affiliated or subsidiary companies.

16. **No Third Party Beneficiary.** Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person other than the parties hereto and their respective heirs, executors, personal representative, legal representative, successors and assigns, any rights or remedies under or by reason of this Agreement.

17. **Binding Effect.** This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and assigns.

18. **Severability.** The invalidity of any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement or any part thereof shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, section or sections or subsection or subsections had not been inserted. If such invalidity is caused by length of time or size of area or both, the otherwise invalid provision will be considered to be reduced to a period or area which would cure such invalidity.

19. **Governing Law.** This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of Washington, excluding the choice of law rules thereof. Subject to Section 20, the Company and the Executive each hereby irrevocably submit to the jurisdiction of the state or federal courts located in Washington in connection with any suit, action or other proceeding arising out of or relating to this Agreement and hereby agree not to assert, by way of motion, as a defense, or otherwise in any such suit, action or proceeding that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced by such courts.

20. **Resolution of Claims.**

a. **Arbitration.** A claim by either party for breach or enforcement of a provision of this Agreement and any other claim or dispute related to or arising out of Executive's employment by Company is subject to binding arbitration, and the parties hereby waive their right to jury trial. The arbitration shall be conducted through the American Arbitration Association ("AAA"), and held before such arbitrator as the parties may agree or, if they are unable to do so, to be selected by obtaining nine proposed arbitrators from AAA and alternatively striking names (Executive shall strike first) until one name remains. The arbitration shall be conducted in Seattle, Washington according to the AAA Commercial Arbitration Rules then in effect. A claim may be initiated by either party by submitting a written claim to AAA, with a copy to the other party. The decision of the arbitrator shall be final and conclusive, and the parties waive the right to trial de novo or appeal, excepting only for the purpose of enforcing the arbitrator's decision, for which purpose the parties agree that the Superior Court for King County, Washington shall have jurisdiction. The substantially prevailing party will be entitled to recover reasonable attorneys' fees and costs of the arbitration and any action necessary for enforcement, the amount of the award to be determined by the arbitrator and court, respectively. This arbitration provision shall not apply to any claims for benefits under a benefits plan that contains an arbitration provision.

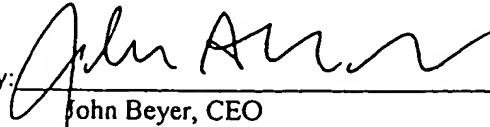
b. **Temporary Restraining Order / Injunction.** Irrespective of the foregoing, Company may, at its option, proceed directly to King County Superior Court to seek a temporary restraining order, preliminary injunction, and/or other injunctive relief for any violations by Executive of paragraphs 6, 7, 8, 9, 10, 11 or 12. The substantially prevailing party shall be entitled to recover its reasonable costs and attorneys' fees.

21. **Amendment; Modification; Waiver.** No amendment, modification or waiver of the terms of this Agreement shall be valid unless made in writing and duly executed by the Company and the Executive. No delay or failure at any time on the part of the Company in exercising any right, power or privilege under this Agreement, or in enforcing any provision of this Agreement, shall impair any such right therein, or shall affect the right of the Company thereafter to enforce each and every provision of, power or privilege, or be construed as a waiver of any default or as any acquiescence this Agreement in accordance with its terms. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall neither operate nor be construed as a waiver of any subsequent breach or violation.

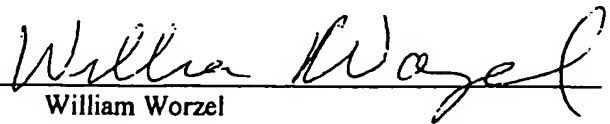
22. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings and arrangements, both oral and written, between the parties hereto with respect to such subject matter. This Agreement may not be modified in any way, unless by a written instrument signed by both the Company and the Executive.

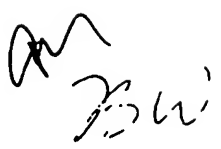
IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

INTERNET DIRECT VIDEO, INC.

By:   
John Beyer, CEO

EXECUTIVE

  
William Worzel



# WIDEVINE

TECHNOLOGIES

John Branch  
Merchant & Gould  
1191 2<sup>nd</sup> Avenue  
Suite 1500  
Seattle, WA 98101

MERCHANT & GOULD


NOV 08 2001

**RECEIVED**

Dear Mr. Branch,

Jonathan Wright requested that I send the attached documents to you on his behalf.

Thank you,

  
Nicole Girard

**MERCHANT & GOULD P.C.**  
A PROFESSIONAL CORPORATION  
AN INTELLECTUAL PROPERTY LAW FIRM  
SEATTLE, WASHINGTON

WELLS FARGO BANK, N.A.  
SEATTLE, WASHINGTON

2059

11-24/1210(8)

PAY Forty and 00/100 DOLLARS

TO THE ORDER OF Commissioner for Patents

DATE	CHECK NO.	AMOUNT	
		DOLLARS	CENTS
2/21/02	2059	40	00

MERCHANT & GOULD P.C.

50040.014541  
⑈002059⑈ ⑆121000248⑆ 4296 915945⑈

Charlotte L. Anderson

THIS DOCUMENT HAS A SECURITY COLOR BACKGROUND ON FACE AND ORIGINAL DOCUMENT SECURITY SCREEN ON BACK WITH PADLOCK SECURITY ICON.

I, John W. Branch, declare that:

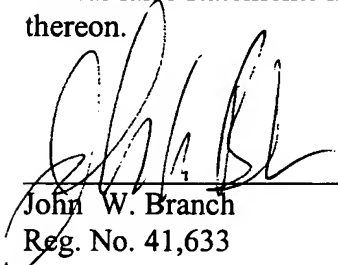
1. I am an attorney of the State of Washington given recognition pursuant to 37 CFR § 10.6 to prepare and prosecute patent applications before the United States Patent and Trademark Office.
2. I represent Widevine Technologies, Inc., of Seattle, Washington, in prosecuting a patent application, entitled METHOD AND APPARATUS FOR PROTECTION OF ELECTRONIC MEDIA, and assigned attorney docket number 50040.01USU1, Serial number 10/020,524, filed December 14, 2001.
3. I have personal knowledge of the matters set forth herein.
4. I am over the age of majority and am competent to be a witness in this matter.
5. On December 10, 2001, I caused to be emailed to William P. Worzel an electronic copy of the above-identified patent application and instructions. In the email, William P. Worzel was asked to review the patent application and provide a response regarding issues that he might have with the patent application, or indicate that it met with his approval. A copy of the email is attached hereto. See Exhibit 1.
6. No response was ever received from William P. Worzel to the December 10, 2001, email request.
7. On December 10, 2001, I caused to be mailed to William P. Worzel via certified mail a copy of the above-identified patent application along with an Assignment, Combined Declaration and Power of Attorney, and a cover letter. A copy of the Certified Mail Receipt is attached hereto. See Exhibit 2.
8. In the cover letter dated December 10, 2001, William P. Worzel was asked to review a copy of the above-identified patent application. If the patent application met with his approval, we asked him to execute the Assignment and Combined Declaration and Power of Attorney documents and return them to us for filing with the U.S. Patent and Trademark Office.
9. On December 14, 2001, I caused to be filed with the U.S. Patent and Trademark Office the above-identified patent application.
10. On December 22, 2001, William P. Worzel signed for the certified mail sent on December 10, 2001. A copy of the signed Return Receipt is attached hereto. See Exhibit 3.
11. No response was ever received from William P. Worzel to the certified mail sent on December 10, 2001.
12. On January 7, 2002, I caused to be emailed to William P. Worzel a request for the status of his review of the above-identified patent application.
13. On January 7, 2002, I received an email from William P. Worzel, a copy of which is attached hereto, stating that he had "neither the time, nor the inclination to look at these papers before the 16th as [he had] a deadline then." See Exhibit 4.
14. On January 23, 2002, I caused to be emailed to William P. Worzel a request for the status of his cooperation in reviewing the above-identified patent application and the execution

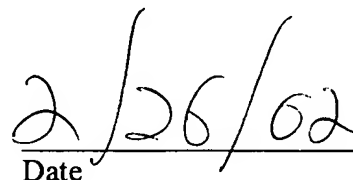
of the Assignment and Combined Declaration and Power of Attorney documents. This email included another electronic copy of the Assignment and Combined Declaration and Power of Attorney documents, for his convenience. A copy of the email is attached hereto. See Exhibit 5.

15. On January 23, 2002, I caused to be mailed to William P. Worzel via certified mail a copy of the patent application as filed together with an Assignment, Combined Declaration and Power of Attorney, and a cover letter. The cover letter included a request for William P. Worzel to review the enclosed formal documents, sign, and return them to our office. A copy of the Certified Mail Receipt is attached hereto. See Exhibit 6.
16. The certified mail of January 23, 2002 was returned unclaimed by William P. Worzel. A copy of the Certified Mail Receipt is attached hereto. See Exhibit 7.
17. On January 29, 2002, I received an email from William P. Worzel, a copy of which is attached hereto, stating that he had received the contents of the email sent on January 23, 2002. William P. Worzel also stated that he would not sign the Assignment document. William P. Worzel further stated that he would do nothing that required him to spend even a minute more of his time regarding this matter without recompense of at least \$200 per hour. A copy of the email is attached hereto. See Exhibit 8.
18. William P. Worzel has repeatedly refused to cooperate in the preparation and filing of the above-identified patent application as required to do so under the terms of his previous employment with the assignee.
19. William P. Worzel's last known address is:

214 W. Main Street,  
Milan, Michigan 48160

I hereby declare under penalty of perjury under the laws of the United States of America that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the patent application or any patent issued thereon.

  
\_\_\_\_\_  
John W. Branch  
Reg. No. 41,633

  
\_\_\_\_\_  
Date